

CAMPAIGN SPENDING COMMISSION

STATE OF HAWAII

In Re the Matter of)	CA 02-07
)	
SATO and ASSOCIATES, INC. and)	
Richard Sato,)	
)	
Respondents.)	
_____)	

CONCILIATION AGREEMENT

On or around March 2002, Robert Y. Watada, Executive Director for the Campaign Spending Commission ("Commission"), initiated an investigation of Respondents Sato and Associates, Inc. and Richard Sato ("Sato"). Richard Sato is listed as President of Sato and Associates, Inc., an engineering firm whose business address is 2046 S King Street, Honolulu, Hawaii 96826. Additional officers of the firm including David Yamamoto, Daniel Miyasato, Glenn Okazaki and Bert Toba. The investigation was initiated pursuant to the express authority of section 11-193, Hawaii Revised Statutes ("HRS"), for a determination of whether the campaign spending law had been violated and a complaint would be submitted to the Commission.

NOW, THEREFORE, Sato and the Commission, having entered into conciliation and pursuant to section 11-216(g), HRS, do hereby agree as follows:

- I. That the Commission has jurisdiction over Respondents and the subject matter of this administrative action.
- II. That this Conciliation Agreement ("Agreement") and upon complete performance of the conditions stated herein has the effect of remedial or

corrective action taken by Respondents pursuant to section 11-216(g),
HRS.

- III. That Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.
- IV. That Respondents waives the right to be heard at a public hearing conducted under chapter 91, HRS, pursuant to section 11-228(b), HRS.
- V. That Respondents enter into this Agreement with the Commission on their own volition and with full knowledge and understanding.
- VI. That parties agree to the pertinent facts as follows:
 - 1. On or around March, 2002, Robert Y. Watada, in his capacity as Executive Director of the Campaign Spending Commission, and upon information received through the disclosure statements of various candidates including the Harris 2000 campaign committee ("Harris"), the Ben Cayetano campaign committee, ("Cayetano") and the Kimo Apana campaign committee ("Apana"), initiated an investigation involving excess contributions in violation of section 11-204(a), HRS.
 - 2. Section 11-204(a)(1)(C), HRS, reads in part as follows: No person, other than a candidate for the candidate's own campaign, or any other entity shall make contributions to:...A candidate seeking nomination or election to a four-year nonstatewide office or to the candidate's committee in an aggregate amount greater than \$4,000 during an election period.

3. Section 11-204(h), HRS reads in part as follows:...an individual and any corporation in which the individual owns a controlling interest, shall be treated as one person.
4. The investigation included the period of January 1995 through July 30, 2001.
5. During the 1996 to 2000 election period Sato made contributions to Harris totaling \$6,000.
6. Contributions in excess of the \$4,000 contribution limit to Harris is \$2,000 for the election period.
7. During the 1998 to 2002 election period Sato made contributions to Apana totaling \$5,400.
8. Contributions in excess of the \$4,000 contribution limit to Apana is \$1,400 for the election period.
9. That excess contribution in violation of section 11-204(a)(1)(C), HRS was not knowing, intentional, or reckless pursuant to section 11-229, HRS.

VII. Settlement Terms

As final settlement of the matter and issues in Conciliation Agreement #02-07, Sato understands and agrees to the following:

- (A) Sato agrees to an assessment of **One Thousand Dollars** (\$1,000) pursuant to section 11-228, HRS.

(1) For violation of section 11-204(a)(1)(C), HRS,
making an excess campaign contribution to the
Harris 2000 campaign committee and the Apana
campaign.

(B) AES agrees to comply with campaign finance statutes on
contributions and expenditures to candidate committees.

(C) Terms of payment of the assessment shall be by Order of
the Commission.

VIII. The Commission upon its own motion or a written request of anyone filing
a complaint under section 11-216, HRS, may review compliance with the
Agreement. If the Commission believes that the Agreement has been
violated, it may institute administrative proceedings or a civil action in the
Circuit Court of the First Circuit pursuant to section 11-228(c), HRS.

IX. This Agreement shall become effective as of the date that all parties have
signed and the Commission has approved the entire Agreement.

X. This Agreement constitutes the entire agreement between the Commission
and Sato on the matters raised herein, and no other statement, promise, or
agreement, either in writing or oral, not contained in this Agreement made
by either party or by agents of either party shall be enforceable.

XI. This Agreement, unless violated, shall be a complete bar to any further
action by the Commission with respect to the violations at issue in this
matter.

FOR THE COMMISSION:

Robert Y. Watada, Executive Director

By: _____

Date: _____

FOR THE RESPONDENTS:

Richard Sato, President
Sato and Associates, Inc.

By: _____

Date: _____

(Name)

(Title)